

Remuneration Committee Report 2020/21

The Remuneration Committee works according to an Annual Wheel with fixed agenda items.

In 2020/21 the Remuneration Committee held four meetings. All three members attended all meetings within the member's term in 2020/21. For more specific information about meeting attendance, please refer to page 60 of the 2020/21 Annual Report [link].

The Committee dealt with the following key matters:

Remuneration of the members of the Board of Directors and its committees

- Recommended the 2019/20 board and committee fees, incl. travel allowance, to the Board based on Danish and international peer-group benchmark data on Board remuneration
- Reviewed and endorsed the Danish peer-group and international peer-group on Board remuneration for 2021/22.

Remuneration of the members of the Executive Board and Corporate Leadership Team (CLT)

- Reviewed and recommended the salary adjustments for 2019/20 based on Danish and international peer group benchmark data for executive remuneration to the Board.
- Reviewed and recommended the proposed short-term incentive (STI/SHARE) payout for 2019/20 and the proposed STI financial and non-financial targets for 2020/21 to the Board.
- Reviewed and recommended the proposed long-term incentive (LTI/Matching Shares) payout for 2019/20 and the proposed LTI targets for 2020/21 to the Board.
- Endorsed the 2021/22 STI and LTI KPI setting process and principles.

Reporting on Remuneration of the Board of Directors and Executive Board

- Reviewed and endorsed the Remuneration Report 2019/20.
- Reviewed and endorsed the framework for the Remuneration Report 2020/21, incl. an introduction by the Remuneration Committee Chair.

Remuneration principles and incentive programs for Chr. Hansen in general

- Reviewed and endorsed the Remuneration Policy applicable for the Board and the Executive Board.
- Reviewed and endorsed the Reward and Remuneration Position applicable for Chr. Hansen in general.
- Reviewed the Restricted Share Unit (RSU) sign-up under the SHARE (STI) program for 2020/21.
- Reviewed and endorsed the global salary adjustment budget for 2021/21.
- Salary and compensation deep-dives as a result of COVID-19 market changes.
- Retention, also in light of the COVID-19 labour market pressure

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Remuneration Committee matters and governance

- Reviewed and approved the Annual Wheel for 2020/21.
- Conducted a self-assessment, including a review of the Remuneration Committee Charter.
- Conducted private meetings without the Executive Board being present.
- Approved a report on the Committee's activities in 2019/20.
- Approved the Committee calendar 2020 – 2022.